



Midsona

Interim Report
Quarter 2, 2022



This presentation may contain forward-looking statements. Such statements are based on current expectations and are subject to risks and uncertainties that could negatively affect our business. Please refer to our recently published 2021 annual and sustainability report for a better understanding of these risks and uncertainties.

Summary

- Organic growth in quarter 2
- Good development for conventional food brands (Friggs, Earth Control, Gainomax, Swebar etc) and consumer health.
- Challenges for organic food brands
- Price increases implemented
- Continued severe cost inflation and negative exchange rate development
- New price increases under implementation
- Implementation of restructuring program according to plan. Cost savings of 40 MSEK on a yearly basis.



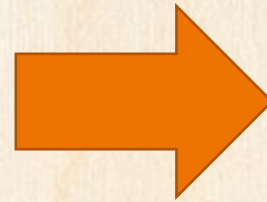
Cost inflation and price increases



midsona

Cost inflation

- Significant indirect exposure from war in Ukraine
- Severe cost increases for several key raw materials
- Energy, transportation and package materials continued up
- Unfavorable exchange rates
- Limited exposure to increasing fertilizer prices



Price increases

- First round of price increases implemented in all countries as of April 1
- Second round of prices increases to be implemented during quarter three
- Price increases for private label as contracts expire

Q2 Financial Summary

midsona

Net sales	956 MSEK (903)
Gross Margin	23,6% (28,3%)
EBITDA before IAC*	34 MSEK (78)
EBITDA % before IAC*	3,6% (8,6%)
Net result	-20 MSEK (24)
Free Cash flow	53 MSEK (-35)



Focus on plant-based assortment



- Expanded Castellcir plant now fully operational
- Deliveries to Mercadona in Spain.
- Insourcing = cost savings
- Innovations



Connecting with the consumer

- Strong growth for sports nutrition brands
 - Gainomax (+17%)
 - Swebar (+22%)
- Presence at major sports events
 - Göteborgsvarvet
 - Stockholm Marathon
- Updated brand equities



Continued innovations



Action Plan

It is our ambition to:

- Restore the gross margin
 - Most of it by q4 2022
 - Fully beginning 2023
- Implement a cost savings program
 - 40 MSEK yearly savings
 - Fully implemented mid 2023
- Accelerate sales
 - Three commercial focus areas
 - Price increases



Three commercial focus areas



midsona



Local brands. Same platform



Nordic expansion

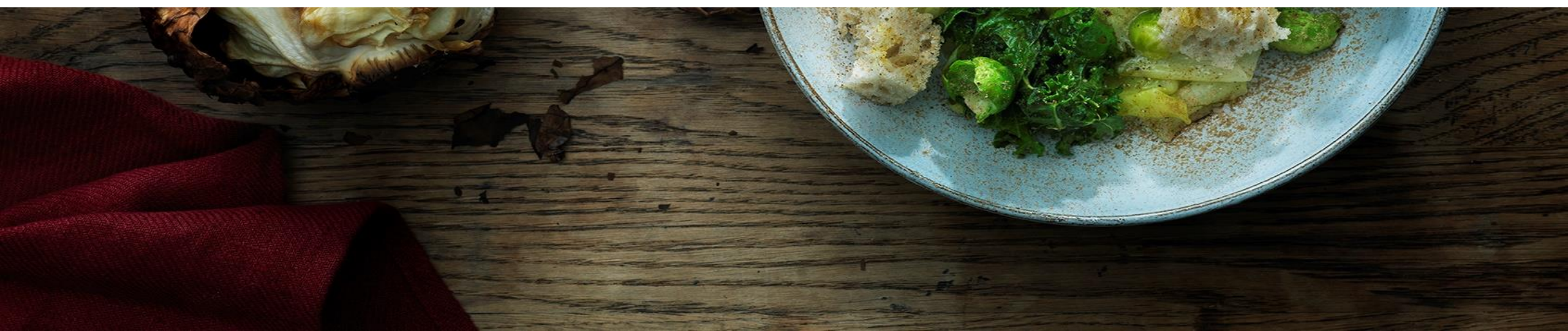


Stand-alone organization

Three building blocks that cover the vast majority of generated profit

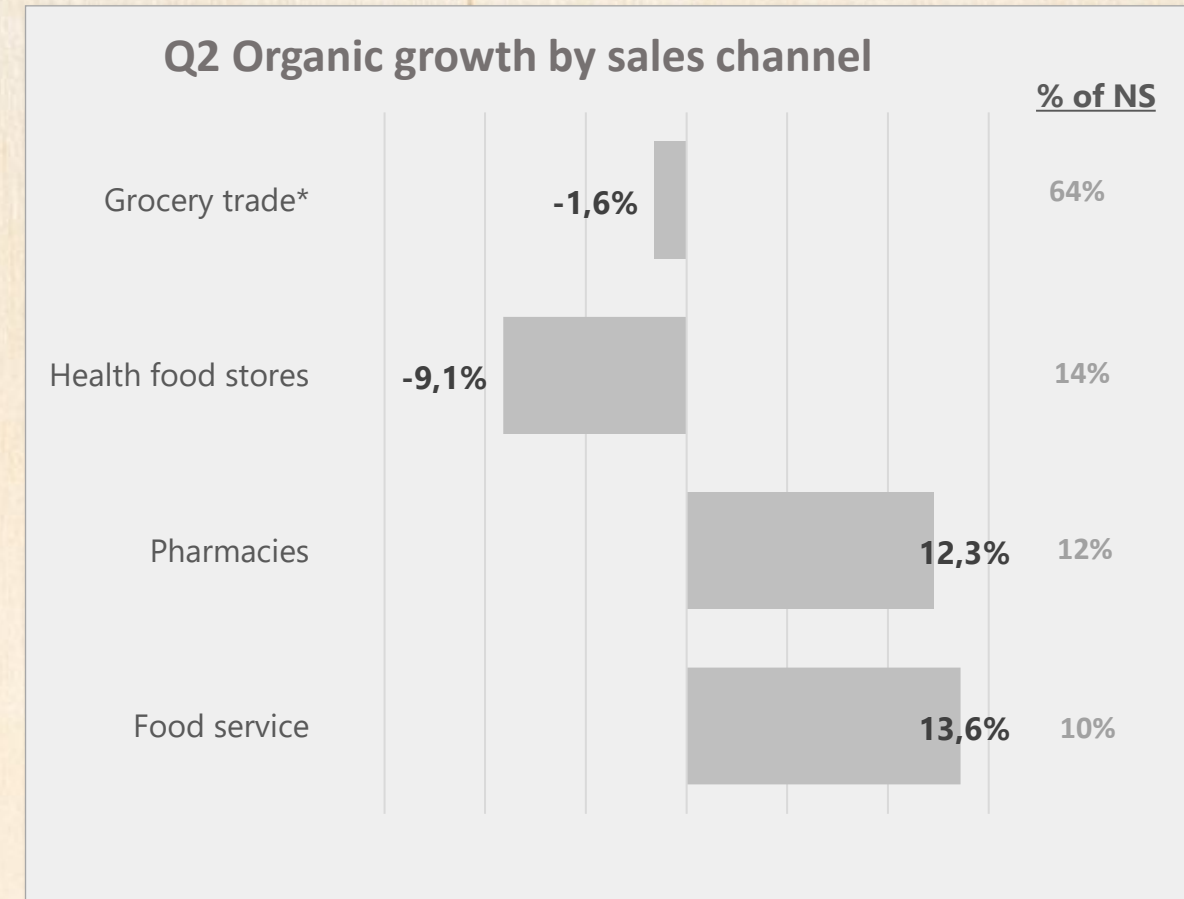
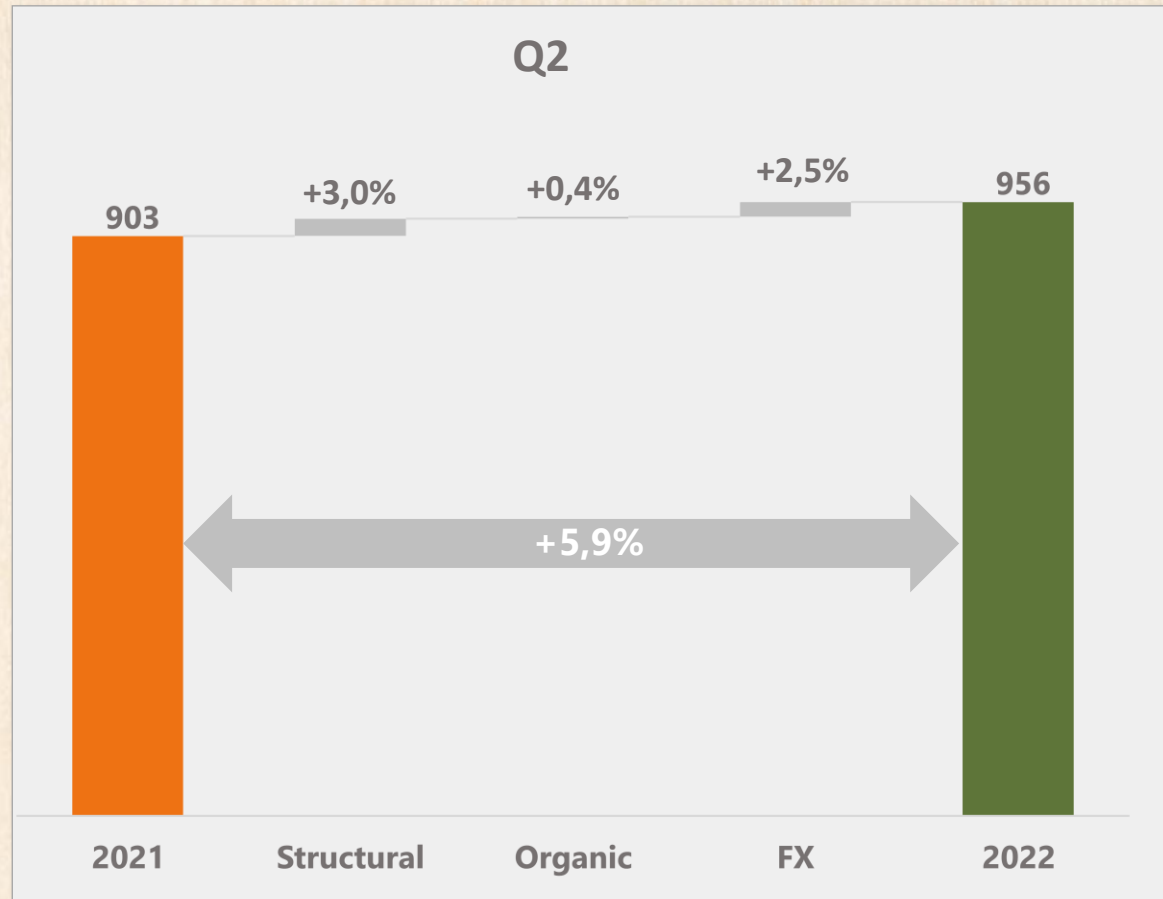


Financial review
CFO Max Bokander



Net sales

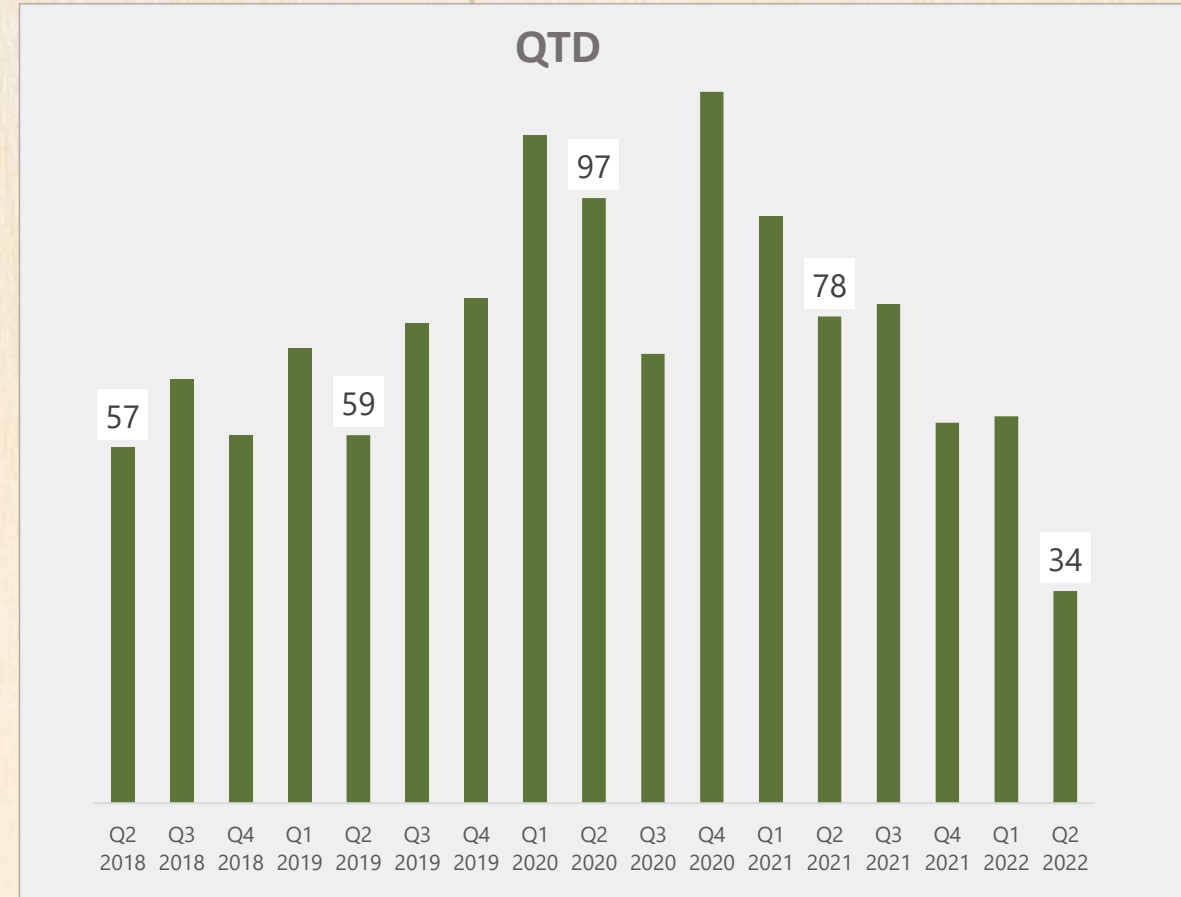
MSEK



Structural effects: Vitality included from Q4-21

EBITDA*

MSEK

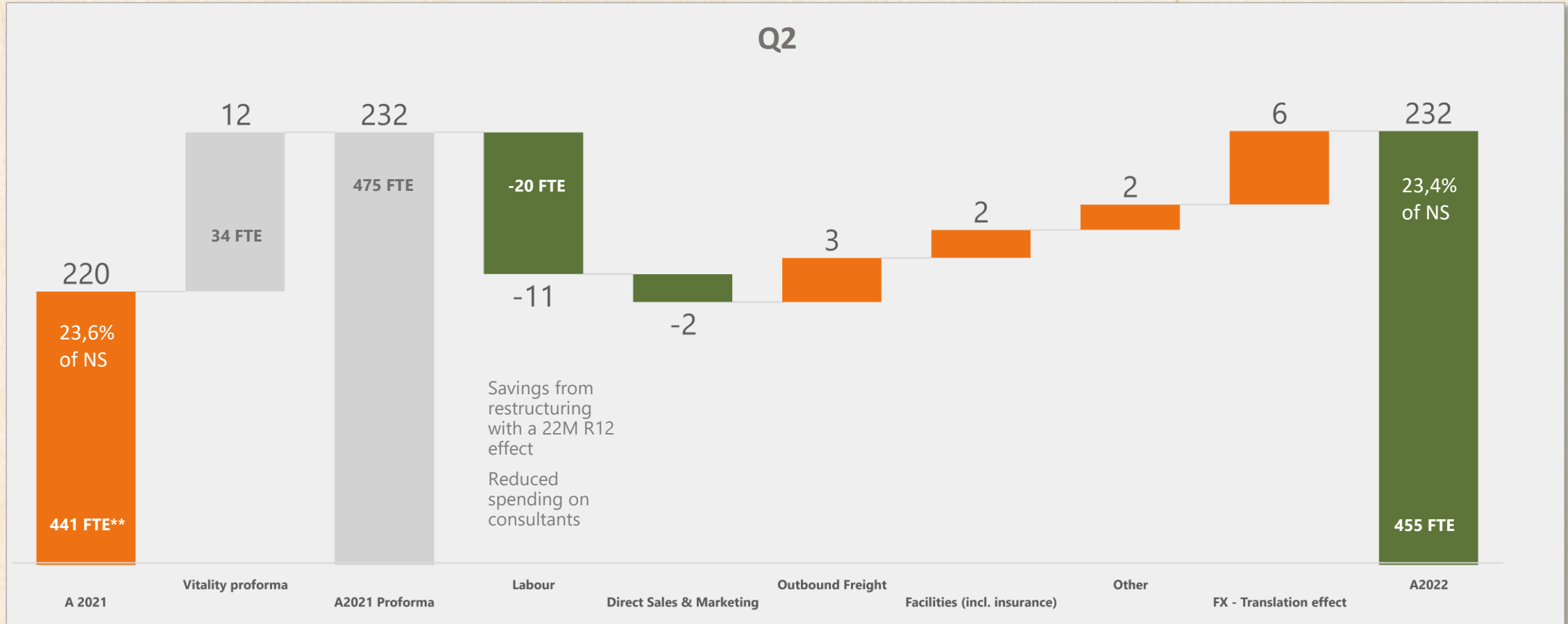


* Before Items Affecting Comparability

Sales, Marketing & Admin Expenses*



MSEK

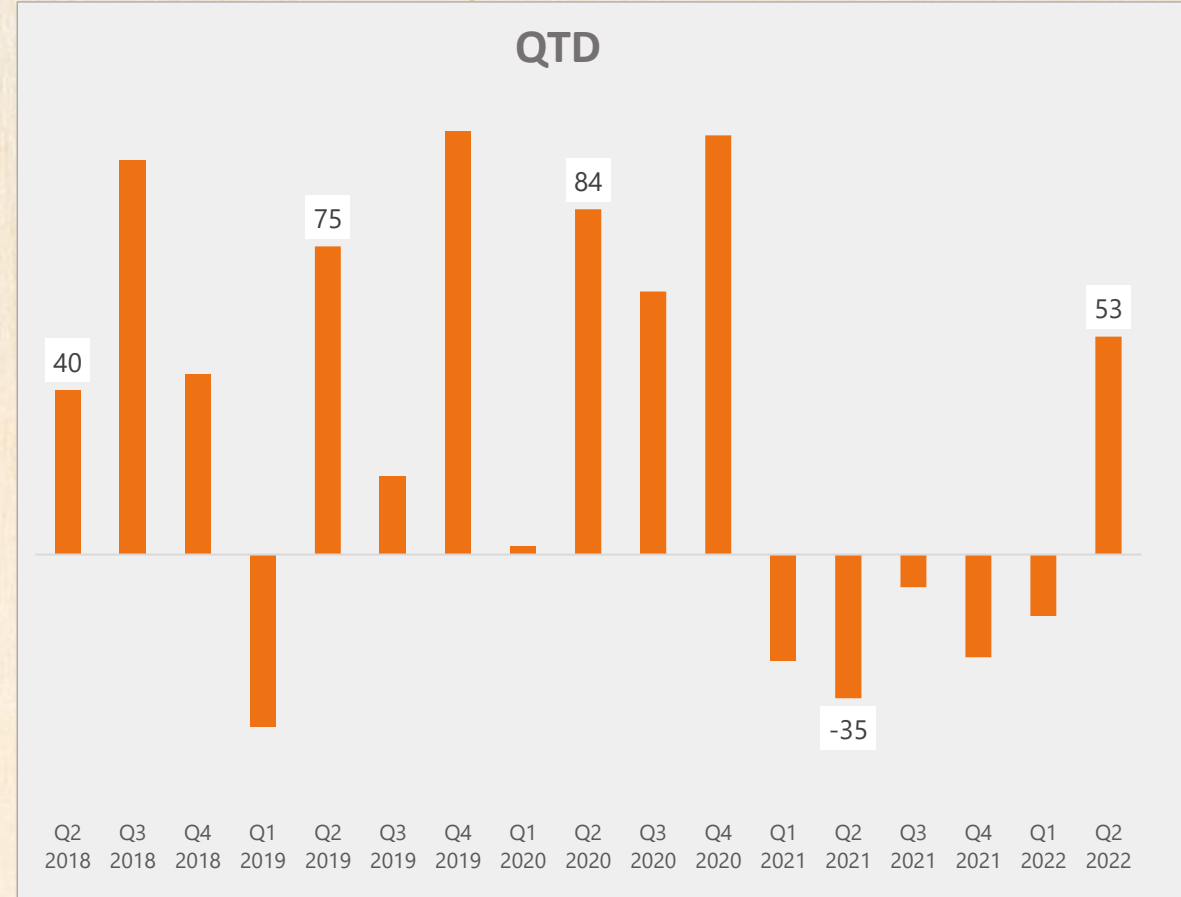
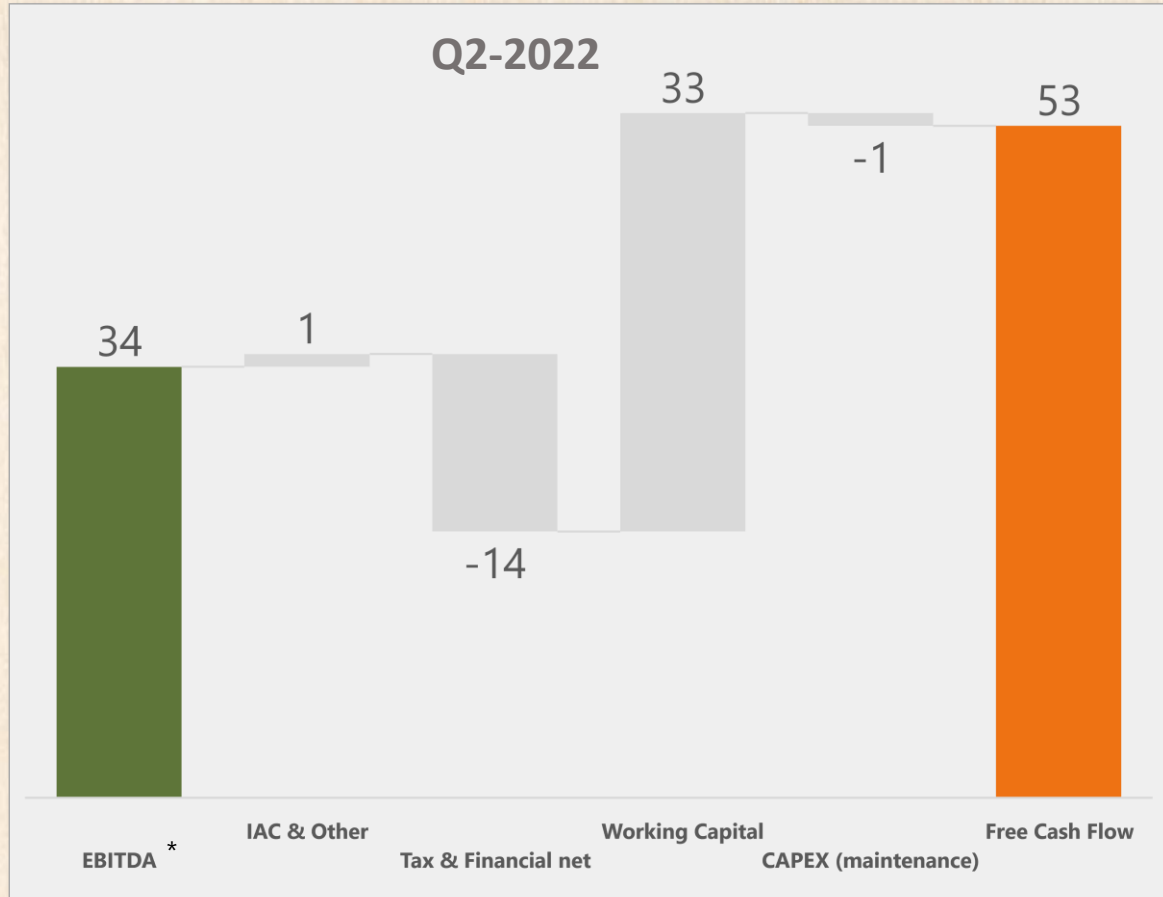


* Before Items Affecting Comparability

** FTE = Full Time Equivalent - employees

Free Cash Flow

MSEK

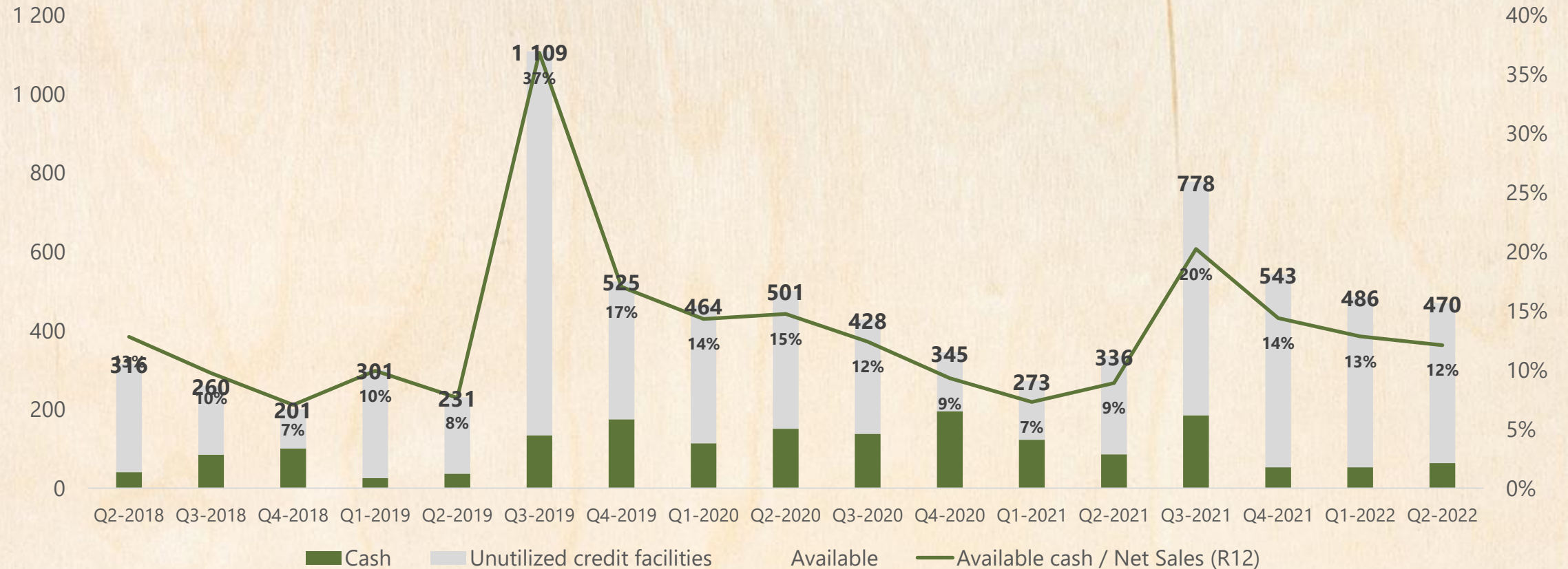


* Before Items Affecting Comparability

Available cash



MSEK



Available Cash = Cash + available overdraft and unutilized contracted bank credit facilities

Priorities 2022

Reaching higher

- Price increases
- Growth agenda with focus on the three commercial areas
- Expand assortment of plant-based meat alternatives
- Implement 40 MSEK cost savings program
- Sustainability agenda





midsona



Financial Summary



MSEK	Q2 2022	Q2 2021	YTD 2022	YTD 2021
Net Sales	956	903	1 928	1 868
GM%*	23,6	28,3	24,9	28,4
EBITDA*	34	78	96	172
EBITDA%*	3,6	8,6	5,0	9,2
IAC**	-6	3	-6	1
Net financing costs	-14	-12	-22	-23
Net tax costs	7	-6	5	-16
Net result	-20	24	-8	57
Free Cashflow	53	-35	38	-61

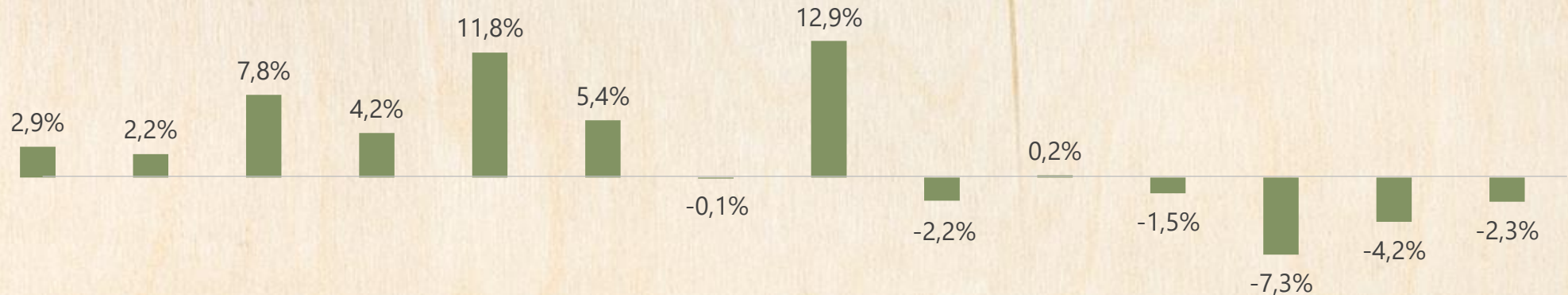
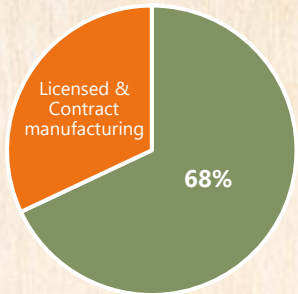
* Before Items Affecting Comparability

** IAC including one off costs for impairment if applicable

Organic growth by quarter

Own brands

% of Q2-22 NS



All brand types

